


active

STATINTL

applied cybernetics

3 FEBRUARY 1960



P. O. Box 974
WASHINGTON 4, D. C.

*Just
12 Feb 60*

DEAR JOHN,

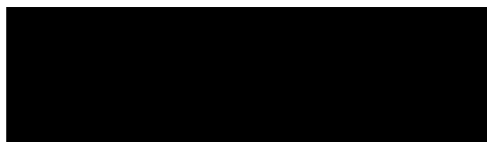
I AM SORRY I WAS NOT ABLE TO CONTACT YOU BY TELEPHONE TODAY; BUT IN ANY EVENT, THIS MATTER SHOULD BE A MATTER OF RECORD.

WHEN I MADE MY BRIEFING IN YOUR OFFICE LAST MONTH ON THE PROGRESS OF THE GIANT CONTRACT, I GAVE CERTAIN ASSURANCES AS TO THE TIMING AND FUNDS REQUIRED TO COMPLETE ALL THREE UNITS UNDER THE CONTRACT. THESE ASSURANCES WERE PREDICATED ON RECEIPT OF THE REQUESTED ADDITIONAL FUNDS BY THE END OF JANUARY 1960 IN ORDER THAT WE COULD CONTINUE SCHEDULING THE SAME PERSONNEL ONTO THE FINAL FABRICATION, ASSEMBLY, CHECKOUT, AND TEST OF THE SECOND AND THIRD UNITS. IF YOU RECALL, I STATED THAT DISCONTINUITY IN THE PROGRAM WOULD REQUIRE A RE-EVALUATION OF THE TIME AND FUNDS NECESSARY TO COMPLETE THE JOB. SINCE THESE FUNDS HAVE NOT BEEN RECEIVED AND THE CONCENTRATED EFFORT ON THE FIRST UNIT IS TAPERING OFF, WE REGRET THAT IT IS NOW NECESSARY TO RESCHEDULE ENGINEERS, TECHNICIANS, MODEL MAKERS, AND MACHINISTS ONTO OTHER JOBS. THE SCHEDULE FOR UNIT 1 REMAINS THE SAME AS I GAVE YOU DURING YOUR LAST VISIT; I.E. QUALITY CONTROL ON 8 FEBRUARY AND SHIPMENT ON 20 FEBRUARY. I WILL ADVISE YOU BY 15 FEBRUARY THE FIRM SHIPPING DATE IN ORDER THAT YOU MAY MAKE YOUR NECESSARY PLANS TO MOVE THE DEVICE INTO YOUR BUILDING.

IMMEDIATELY UPON ADVICE THAT THE REQUESTED ADDITIONAL FUNDS HAVE BEEN MADE AVAILABLE, I WILL REPROGRAM THE NECESSARY EFFORT TO COMPLETE THE JOB AND WILL ADVISE YOU OF THE ESTIMATED DATES OF COMPLETION AND OF ANY ADDITIONAL FUNDS WHICH MAY BE REQUIRED. WE REGRET THE NECESSITY OF HAVING TO TAKE THIS ACTION; HOWEVER, IN ORDER TO KEEP OUR PEOPLE PROFITABLY EMPLOYED, WE HAVE NO ALTERNATIVE. AS A MATTER OF FACT, SOME TWO MONTHS HAVE ELAPSED SINCE WE ESTIMATED THE ADDITIONAL FUNDS REQUIRED TO COMPLETE THE CONTRACT, AND WE HAVE AUTHORIZED AN OVERRUN AT OUR OWN RISK OF APPROXIMATELY 

SINCERELY YOURS,

Declass Review by NIMA / DoD



VICE-PRESIDENT, ENGINEERING

JCP:JP

Approv 